

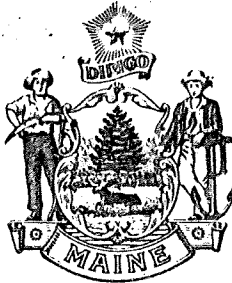
MAINE STATE LEGISLATURE

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AUGUSTA, MAINE 04333

September 11, 1979

W. G. Blodgett, Executive Secretary
Maine State Retirement System
State Office Building
Augusta, Maine 04333

Re: Benefit Entitlement of Individuals with Creditable
Service under more than One Employer: Opinion #2¹/₁

Dear Bill:

You have inquired further about the computation of benefits for members with creditable service under more than one employer. The question arises out of the inquiries of members who are changing from employment with one covered employer to employment with another covered employer, as to whether the creditable service earned in the first employment represents any future benefit value so that it is to the member's advantage to leave contributions made during that period of employment on deposit with the System.

You have postulated two specific examples. In light of the variety of situations in which these questions could arise, we will limit this response to those two types of situations. Such a limited response is necessary since the answer will be dictated in part by the underlying facts. Please feel free to inquire about other specific situations should the need arise.

Your examples appear below, with the separate questions and the corresponding answers indicated by letters.

1/ A previous opinion dated September 16, 1977, dealt with other aspects of this question. A third opinion, on still another aspect, is also dated September 11, 1979.

Example #1

"Member works five years as a state employee under the regular plan and transfers to the City of Augusta as a firefighter. Works for the City of Augusta as a firefighter for twenty years and retires at age 50. a) Does the five years' employment with the State entitle the member to any benefit at that point? b) Does the five years with the State entitle the member to any benefits on attainment of age 60? c) Would the member have to resume employment with the State to obtain a benefit?"

Response:

a) The five years' service with the State entitles the member to no additional benefit when he retires at age 50, as he is not of the requisite retirement age (60), nor does he have sufficient years of service (25) to be entitled to a reduced benefit prior to age 60.^{2/}

b) If the member retired at age 50, the five years' service with the State would buy him no additional benefit at age 60 because he would not then be a member of the System and would thus not then be eligible to apply for a benefit. If he separated from service at age 50 but, leaving all of his contributions on deposit, did not retire until age 60, he would then be able to receive the firefighter benefit and an additional benefit from his five years of State service. He would, of course, have lost all the firefighter benefit available to him in the years 50-60.

3) The member could receive an additional benefit based on his State service if he went back to work for the State prior to age 60 and worked until age 60. The amount of the benefit would depend on the total amount of creditable service earned while working for the State.

Example #2

"Member is employed by the City of South Portland for five years and transfers to State Police as a law enforcement officer. Is employed for twenty years as a state police officer and retires at age 45. a) Does the five years of employment with the City of South Portland entitle the member to any benefit at retirement age? b) Does the five years of employment with the City of South Portland entitle the member to any benefit on attainment of age 60?"

^{2/} Clearly, the member has 25 years of service, but 20 of those years would have been used to "buy" the firefighter benefit and could not be counted a second time.

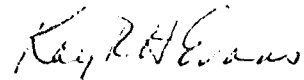
Response:

a) The five years' service with the City does not entitle him to any additional benefit on retirement at age 45, as he has not reached the requisite retirement age (60).

b). See response to b) above. With changes to reflect the different fact situation, the same response applies here.

I hope this is responsive to your inquiry.

Very truly yours,



KAY R. H. EVANS
Assistant Attorney General

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